



California Fair Political Practices Commission

March 12, 1987

Ms. Patricia H. Cody
3021 Fulton Street
Berkeley, CA 94705

Re: Your Request for Advice
Our File No. A 87-057

Dear Ms. Cody:

You have requested advice concerning the campaign disclosure provisions of the Political Reform Act.^{1/}

QUESTION

What are the procedures for terminating a political action committee and what may the committee's surplus funds be used for?

CONCLUSION

Recipient committees (political action committees) may terminate only if all of the following criteria are met:

- (1) The committee has ceased to receive contributions and make expenditures;
- (2) The committee does not anticipate receiving contributions, repayments of outstanding loans made to others, or any other receipts in the future and does not anticipate making expenditures in the future;
- (3) The committee has eliminated or has declared that it has no intention or ability to discharge all of its debts, loans received and other obligations;
- (4) The committee has no surplus funds; and
- (5) The committee has filed all of its required campaign statements disclosing all reportable transactions.

Regulation 18404 (copy enclosed).

^{1/}Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Administrative Code Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Administrative Code.

Elections Code Section 12400, et seq., sets out the permissible uses of surplus campaign funds. The Fair Political Practices Commission does not interpret the Elections Code. Contact your local district attorney or the State Attorney General for an interpretation or further information regarding the use of surplus funds. You may contact the State Attorney General at the following toll free number: (800) 952-5225.


If all of the above criteria for terminating a recipient committee are met, the committee may terminate by filing a Form 415 (Statement of Termination) with a final campaign statement (i.e., Form 420 or Form 450).

I have enclosed for your use and information, the 1987 "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," and Forms 415, 420 and 450. Please refer to pages 18, 71 and 72 of the enclosed manual for instructions on how to terminate a recipient committee.

If you have any additional questions concerning this matter, please contact me at (916) 322-5662.

Sincerely,

Diane M. Griffiths
General Counsel

By: 
Mary Ann Kvasager
Political Reform Consultant

DMG:MAK:kmt

Enclosures

3021 Fulton St.

Berkeley, Ca. 94705

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12 Feb 87

Fair Political Practices Committee

428 J St.

Sacramento, Ca. 95814

Dear Committee:

As an officer of a Political Action Committee, I need to have the following information which is not found in the reporting guidelines publication:

Should the committee decide to disband, what are the procedures we must follow? What happens with the money left in our bank account? Can we give it to another group, refund it to the original contributors, or what is the appropriate disposal regulation?

With appreciation for your help,

Patricia H. Cody

Patricia H. Cody



California Fair Political Practices Commission

February 19, 1987

Patricia H. Cody
3021 Fulton Street
Berkeley, CA 94705

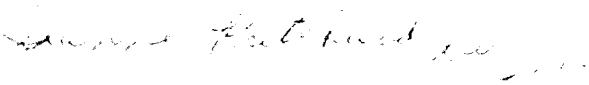
Re: 87-057

Dear Ms. Cody:

Your letter requesting advice under the Political Reform Act was received on February 18 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days. You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,


Jeanne Pritchard
Chief
Technical Assistance and Analysis
Division

JP:plh